Research on the Influence of Enterprise Accounting Standards on Accounting Information Quality Based on Professional Competence

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Keywords: Professional Competence, Accounting Standards for Enterprises, Quality of Accounting Information

Abstract: Economic Globalization and Integration of International Capital Markets Have Become the Trend of World Economic Development. At the Same Time, with the Reform of Chinese Economic System, Chinese Accounting Management System Has Changed from a Planned Economy-Oriented Management Model to a Market Economy-Oriented Management Model. the Establishment of the New Accounting Standards System Has Laid a Foundation for Improving the Quality of Accounting Information, Enhancing the True Reliability of Accounting Information, Meeting the Needs of Many Users of Accounting Information for Accounting Information, and Safeguarding the Interests of the Public. the New Accounting Standard System Has Been Completed and Started to Operate, Which Indicates That Chinese Enterprise Accounting Model Has Gradually Been in Line with International Practices and Market Economy. This Paper Analyzes the Impact of the New Accounting Standards on the Quality of Accounting Information and How to Improve the Quality of Accounting Information.

1. Introduction

The New Accounting Standard System is a Comprehensive, Standardized and Complete Accounting Standard System for Enterprises. the Establishment of the New Accounting Standards System is an Important Milestone in the History of Chinese Accounting Reform, Marking the Formal Establishment of an Accounting Standards System That is Similar to the International Financial Reporting Standards. At the Same Time, the Accounting System, Securities Supervision, Cpa Profession and Accounting Information Disclosure System Have Also Been Gradually Established and Developed. However, While We Affirm Our Achievements, We Must Also Clearly Realize That the Securities Market in Our Country is Still in the Primary Stage and the Current Situation of the Quality of Accounting Information is Not Optimistic [2]. Accounting Standards Are Normative Documents on the Confirmation, Measurement, Recording and Reporting of Financial Accounting. the Confirmation, Measurement and Reporting of Financial Accounting Are Also the Core Contents That Need to Be Standardized in Financial Accounting. They Are Also the Focus of National Accounting Standards and Their International Coordination. How Do Their Standards Directly Affect the Quality of Accounting Information? the Reaction of Capital Market is Easily Influenced by Many Political, Economic, Legal and Other Factors. in Contrast, Accounting Standards May Not Be an Important Influencing Factor [3]. the Formulation of the New Accounting Standards Adapts to Chinese Current Economic Development, Which Plays an Important Role in Promoting Chinese Economic Development. So Let's Give a Brief Introduction. This Paper Introduces the Contents and Characteristics of Accounting Standards and Their Influence on Accounting Information.

2. Overview of New Accounting Standards

In the Quality Requirements of Accounting Information, the Principles of Materiality, Prudence and Comparability, Consistency and Clarity Are Maintained, But Accrual Basis and Historical Cost Are No Longer the Basic Principles of Accounting. It is of Great Significance to Perfect Chinese Socialist Market Economic System, Improve the Level of Opening to the Outside World and


3. Accounting Information Quality and Its Characteristics

3.1 Quality of Accounting Information

The quality requirements for accounting information are expressed through the quality characteristics of accounting information. The so-called quality characteristics of accounting information refer to the quality requirements that people (users of information) put forward for accounting information according to the basic purpose of decision usefulness. The measurement of accounting surplus quality is usually inferred by certain models and formulas. Price model and reward model are mainly used to measure the relevance of information quality, and compare the relevance of accounting information by analyzing the relationship between accounting surplus and stock price [8]. It is formed in accounting and accounting analysis and includes all the original data on all accounting vouchers and all the contents of account books and statements generated by accounting treatment of these data. Accounting information should fully consider the decision needs and characteristics of decision makers (information users) to meet the basic requirements of user understandability, decision usefulness and decision effectiveness to the greatest extent. Accounting
information should fully consider the decision-making needs and characteristics of users of accounting information so as to meet the basic requirements of user understandability, decision usefulness and decision effectiveness to the greatest extent.

3.2 Quality Characteristics of Accounting Information

Relevance. Relevance refers to the connection between accounting information and people's use and decision-making. It is also that accounting information can help people to use it to carry out activities [9]. Maintain consistency in time and include the accounting information of various departments and units in the space business. Because no enterprise issues inventories in the last-in-first-out order, and if there is a “last-in-first-out” inventory measurement method, it is likely that enterprises will adjust profits by changing the pricing method of issued inventories. Information has different functions for different users, for example, the government mainly uses information for comprehensive balance and tax purposes. The information provided by accounting must be conducive to the realization of this purpose [10]. For creditors and shareholders of an enterprise, accounting information must be related to their decision to hold shares for sale and to evaluate the enterprise's professional ability to repay debts. If they meet the relevant conditions, they can also be capitalized, which conforms to the accrual principle and enhances the authenticity of the reflected asset value. Relevant accounting information must have predictive value and feedback value. The former refers to the fact that accounting information should enhance the professional ability of decision makers to make predictions and help them make the correct predictions as possible. The latter means that accounting information should be able to facilitate users to confirm or correct their earlier forecasts and expectations.

Reliability. For accounting information to be useful for rules and controls, the content it reflects must be true and reliable. Authenticity is the life of information and the useful foundation of information. According to the evolution and development of the new accounting standard-setting mode and the selection of accounting standard-setting modes by various countries, there are mainly three types of accounting standard-setting modes: spontaneous mode, government control mode and independent non-governmental organization mode. It is stipulated that the liabilities of the enterprise shall be recorded in accordance with the actual amount incurred, and the loan interest of the enterprise shall be calculated by using the loan principal and face interest rate or contract interest rate. When determining the scope of application of fair value, Chinese accounting standards for enterprises have fully considered Chinese national conditions and made prudent improvements. The characteristics of reliability must reflect authenticity. The so-called reflection authenticity means that accounting data or other forms of explanations should be able to conform to the phenomena and things it is intended to reflect. The reflected results should not have obvious differences with the objective actual situation, or should be consistent.

Comparability and consistency. Another characteristic of useful information is its comparability and consistency, that is, the same kind of information can be compared between different enterprises in the same industry, and the same enterprise can be compared in different accounting periods. In order to prevent the abuse of fair value and profit manipulation, the new guidelines stipulate the premise of fair value, that is, fair value should be “reliably measured” and so-called fairness cannot be exchanged at the expense of reliability. The accounting information provided can be compared with different units in space and can be compared before and after the same unit in time. In terms of income recognition, the professional judgment on “risk transfer” has been deleted, thus realizing the convergence with the tax law, reducing the workload of tax adjustment and other work of accountants in tax declaration, and ensuring the quality of accounting information to a certain extent. In order to make the information comparable, all enterprises must follow uniform accounting standards and adopt the same accounting principles and methods. In fact, comparability is an important promotion factor for the whole society to adopt unified accounting principles or accounting systems.
4. The Influence of New Standards on the Quality of Accounting Information

4.1 The New Standards Improve the Reliability of Accounting Information

The reliability of accounting information refers to that the accounting information disclosed by an enterprise should truthfully reflect the financial situation, operating results and cash flow, so as to achieve true content, accurate figures and reliable data. Taking the listed companies in our country for example, it is the company's management's goal to successfully realize the guarantee or allotment of shares. There are two main types of accounting standard-setting bases that dominate in the world: one is rule-based, which represents the United States and is characterized by detailed content and strong operability. According to the actual transactions or events, accounting confirmation, measurement and reporting shall be carried out to truthfully reflect various accounting elements and other relevant information that meet the requirements of confirmation and measurement, so as to ensure the authenticity, reliability and integrity of accounting information. The tax adjustment process for the items listed in the balance sheet and income statement that are different from the provisions of the enterprise income tax law. Through the above concise and clear explanation, it not only enriches and expands the notes, but also meets the needs of tax authorities and banks for convenience in reading statements. This criterion came into being, which is the first formal criterion related to business combination issued by our country so far. The recognition, measurement and disclosure of relevant information of enterprise merger are systematically regulated, which makes the accounting treatment of merger have evidence and rules to follow.

4.2 The New Standards Improve the Relevance of Accounting Information

With the development of Chinese market economy, investment varieties such as financial derivatives are becoming more and more common. However, the old accounting standard system, which takes historical cost as its main measurement attribute, obviously cannot adapt to these new economic phenomena. Opportunistic behavior of enterprise management in manipulating accounting information is not random and unconstrained. They always have to consider the constraints and limitations of various systems in the environment at that time, and finally choose the way they think “gain outweighs loss”. The provision for impairment of assets can be reversed, which has always been the institutional barrier for some listed companies to manipulate profits. Only by confirming that it cannot be reversed can the reliability of asset value and surplus be guaranteed to a certain extent and the normal operation of the economy be ensured. At present, the continuing education of accountants only covers the update and supplement of the Accounting Standards for Business Enterprises, and seldom involves the relevant standard system for business enterprises. In view of this, the new standard no longer regards historical cost as the basic principle of accounting, but only as one of the accounting measurement attributes. Accounting standards and accounting systems provide technical possibilities for the generation of high-quality accounting information. However, the legal system, especially the punishment for the opportunity behavior of enterprise management to deliberately affect the quality of accounting information for their own benefit, ensures that the providers of accounting information maintain the quality of accounting information above a certain level. Only in this way can accounting get more stable and sustainable development. Only in this way can we reduce its impact on the uncertainty of the future economic environment.

4.3 The New Standards Improve the Prudence of Accounting Information

There are uncertain factors and risks in the accounting environment. When the accuracy of recognition and measurement of accounting elements is affected, prudent professional judgment and prudent accounting methods should be used for accounting treatment. If the corresponding legal environment has not changed, especially the legal risks related to the provision of accounting information for all parties providing accounting information (such as the management and auditors of listed companies) have not changed, any change in accounting standards will not necessarily lead to corresponding changes in the quality of accounting information. To strengthen the game in the
formulation of accounting standards. When formulating accounting standards, we should try our best to reduce and overcome the uncertainty of accounting standards. In addition, it is necessary to have a broad representation of the masses in the personnel who formulate accounting standards, so that more stakeholders can participate in the institutions that formulate accounting standards and systems. We should follow the principle of prudence and fully consider the uncertainties and risks in the business activities of enterprises. China can learn from the procedures of the United States and other national accounting standards committees in formulating accounting standards and establish adequate procedures. Only in this way can the openness of the formulation of accounting standards be improved. Such “Accounting Standards for Enterprises” can reduce the tax collection cost of the tax department for enterprises, improve the collection efficiency, and be more conducive to the audit work of the tax department, thus ensuring the quality of enterprise accounting information.

5. How to Guarantee the Quality of Accounting Information under the New Standards

5.1 In-Depth Understanding of the Definition of “Accounting” and a Correct Understanding of the Importance and Necessity of Improving the Quality of Accounting Information

“Accounting is a kind of economic management work that takes money as the unit of measurement and reflects and supervises the economic activities of a unit.” The final accounting standard should have a scientific and advanced analysis and prediction of changes in the accounting environment, so that the development of accounting will have better stability and sustainability, and the uncertainty of the future environment will not have too much impact on accounting. We should try our best to increase the social forces' comments on it and ensure that the finally formulated guidelines can take the interests of all parties into consideration. To avoid problems. The new “Basic Standards” overcome the deficiencies of the original standards in the expression of accounting objectives and emphasize “the reliability and usefulness of accounting information”. It is suggested that in the future, in the continuing education of accounting talents, the study of relevant contents of “Accounting Standards for Business Enterprises” should be introduced, so as to attract the attention of accounting practitioners in business enterprises, and further use this standard to improve the quality of accounting information of the Company.

5.2 Accurately Grasp the Quality Requirements and Consolidate the Basic Work of “Reflection and Supervision”

The new accounting standards emphasize the quality of accounting information more closely to reality and point out that the quality of accounting information is the standard for evaluating the success or failure of accounting work. When formulating accounting standards, we should try our best to overcome and reduce its own uncertainty. It is suggested that a group with wide representation should be selected in the composition of the accounting standard-setting body, and an accounting standard-setting and accounting system-setting body with multi-stakeholder participation should be established. The standard-setting body should be composed of high-quality, high-level experts representing the interests of all parties. Increase the training and study of “Accounting Standards for Business Enterprises” for business accounting practitioners. Financial departments at all levels should provide training on these standards to the person in charge of the enterprise's units, the accounting employees of the enterprise, the bank loan personnel and the relevant personnel of the tax and banking supervision departments. Fully implement budget management, adhere to the “one pen” approval system, and earnestly carry out accounting work to meet the standards. First of all, accounting should be based on actual transactions or events, and the content of basic accounting information should be true, the figures should be accurate and the data should be reliable.
5.3 Establish an Internal Control System under the Guidance of Market Risks and Supervise the Quality of Accounting Information

The new “Accounting Standards” emphasize market risks. Under the guidance of market risks, whether financial institutions, financial personnel and unit leaders can provide high-quality accounting information depends not only on their good professional ethics, but also on the good internal control system of enterprises. Since the power to formulate the guidelines is still with the Ministry of Finance at this stage, it takes more care of the interests of the country and does not pay enough attention to the interests of all parties concerned. Therefore, high-quality and high-level representatives from the industrial and commercial circles, financial circles, professional circles and academic circles should be widely absorbed in the standard-setting bodies. It requires a certain conversion cost for enterprises to change from the current relevant standards system to the new standards. In order to improve the utilization rate of the Accounting Standards for Business Enterprises, financial departments at all levels may consider giving relevant preferential policies to enterprises that implement the Accounting Standards for Business Enterprises. To set up a daily advisory body that broadly represents the interests of all parties, to enhance the broad representation of the standards formulated, and to substantially enhance the authority of the standards. In addition, the Ministry of Finance should also keep in close contact with the securities management department and communicate with each other throughout the process from the initiation of the guidelines to the draft for comments. This relationship of supervision and balance among accounting, finance and auditing has also become a measure and means to check, supervise and feedback the quality of accounting information under the internal control system in enterprise management.

6. Conclusion

The new accounting standards for enterprises are based on the reality of our country, covering a wide range of areas and with strong standardization, meeting the trend of convergence with international accounting standards, and establishing a relatively perfect quality standard system for accounting information so that accounting information can be compared internationally. Therefore, in the process of formulating the standards, China should adhere to the principle that as long as there is no contradiction with Chinese current laws and regulations, Chinese economic practices are consistent with or similar to those targeted by international accounting standards. The full implementation of the new accounting standards will effectively standardize the accounting recognition, measurement and reporting of enterprises and comprehensively improve the quality of accounting information, thus improving the efficiency of resources and promoting the healthy and orderly development of Chinese economy. Only by making it more perfect to adapt to the development of market economy can it play a role in promoting economic development.

References


